TO: Medical Assistance Nursing Facility Providers

FROM   Susan J. Tucker   Joseph E. Davis
Executive Director   Executive Director
Office of Health Services   Office of Operations and Eligibility

DATE: March 11, 2004

RE: HIPAA Compliant Nursing Home Billing Instructions for the UB-92

As you know, the Maryland Medical Assistance Program is changing its procedure codes and billing formats. We are making these changes to comply with the Health Insurance Portability and Accountability Act (HIPAA).

On and after **July 17, 2004**, claims must be submitted using revenue codes submitted on either the electronic X12N 837I or the paper UB-92 form.

PAPER TRANSACTIONS

Enclosed are the HIPAA compliant Nursing Home Billing Instructions for the paper UB-92. **These instructions discuss procedures for submitting claims after July 17, 2004.**

Medical Assistance Program staff distributed draft versions of the Nursing Home Billing Instructions at several Nursing Home Liaison Committee Meetings. Please discard these earlier versions and note these **important changes** from the draft versions.
- *Medicare Coinsurance Days:* Provider will bill Coinsurance Days using revenue code 0101.
- *Administrative Days:* Provider must indicate Administrative Days using the Occurrence Code 75, the span of days in FL36, and Revenue Code 0169.

ELECTRONIC TRANSACTIONS

On and after July 17, 2004, all electronic transactions must be submitted in the X12N 837I format. Please consult your Information Technology staff or billing software vendor regarding these formats.

Companion Guides, developed by the Medical Assistance Program staff to assist Information Technology staff and billing software vendors with the ASC X12N Transactions, can be found at http://www.dhmh.state.md.us/hipaa/transandcodesets.html.

Testing of Electronic Transactions

Providers who send electronic transmissions directly to the Medical Assistance Program must test for HIPAA compliance before they can transmit actual claims. The Medical Assistance Program offers free testing for its trading partners at: http://www.dhmh.state.md.us/hipaa/testinstruct.html. This testing tool provides information on test files and errors.

Please verify that your information technology staff or billing software vendor have started the testing process. It generally takes providers over a month to complete testing. To avoid cash flow problems, DO NOT WAIT TO BEGIN TESTING!

Testing Approach For Nursing Homes

- Submit test claims **separately** for both current dates of service and for July 2004 dates of service. This will allow verification of billing approach used for service dates prior to July 1 and service dates on or after July 1.

- Test claims with dates of service prior to July 1 will be processed and reported separately from test claims with service dates on or after July 1.

- To simplify verification of test results, we recommend that you submit a previous month's production claims in the new format.

- We will process Nursing Home test claims weekly. An 835 remittance will be available for test claims received by noon Friday on the following Wednesday.

Trading Partner Agreement and Submitted Identification Form

If you have not yet done so, please return a completed Trading Partner Agreement and Submitter Identification Form. We have attached a copy of the Trading Partner Agreement and Submitter Identification Form to this memo.

The Medical Assistance Program must have both the Trading Partner Agreement and Submitter Identification Form on file before accepting any HIPAA transactions including X12N 837 (Claims). Refer to the contact phone number on each form if you have any questions or are unclear about which forms to complete.

Mail completed forms to:

Rita Tate
201 W. Preston St. Rm. LL3
Baltimore MD 21201
Attn: HIPAA Billing Agreements

If you have any questions about the paper UB-92 billing instructions, please call Stephen Hiltner, Supervisor Nursing Home Program at 410-767-1447. The testing URL listed above (http://www.dhmh.state.md.us/hipaa/testinstruct.html), provides an email address for questions regarding testing.